

FURNITURE & FIXTURES VALUATION INSTRUCTIONS

The Furniture and Fixture Tables were designed to be used with the acquired costs of the property being assessed. Thus, if the business changes ownership, use the new owner's acquired price and acquired year. It is best to ask the taxpayer to break down his cost into the various categories so that the taxpayer can be afforded the greatest amount of depreciation.

If the taxpayer cannot breakdown the acquired cost, you should use the Table 8 depreciation.

Example #1: The taxpayer owns a small grocery store and turns in a copy of his depreciation schedule with a signed copy of the reporting form. The schedule says \$10,000 worth of furniture and fixtures were bought in 2003. There is no breakdown of property.

$$\begin{aligned} \$10,000 \times 64\% &= \$6,400 \text{ market value} \\ \$6,400 \times 3\% &= \$192 \text{ taxable value} \end{aligned}$$

Example #2: The taxpayer recently bought an auto-repair shop. The copy of his federal depreciation table reads as follows:

<u>Year Purchased</u>	<u>Description</u>	<u>Cost</u>
1999	Hand-Held Tools (Exempt)	\$6,000
2003	Non-Hand-Held Tools & Equip.	\$3,000
2004	Non-Hand-Held Tools & Equip.	\$2,500

Thus, your valuations would be:

$$\begin{aligned} 3,000 \times 63\% &= \$1,890 \\ 2,500 \times 72\% &= \underline{1,800} \\ &3,690 \text{ market value} \\ &3,690 \times 3\% = 111 \text{ taxable value} \end{aligned}$$

Example #3: The taxpayer recently bought a hardware store. She purchased the furniture and fixtures for a lump sum of \$75,000 in 2002. The old owner bought the same furniture and fixtures in 1985 for \$30,000.

$$\begin{aligned} \$75,000 \times 55\% &= \$41,250 \text{ market value} \\ \$41,250 \times 3\% &= \$1,238 \text{ taxable value} \end{aligned}$$

FURNITURE & FIXTURES DEPRECIATION SCHEDULE
(BEVS - SCREEN 1)

These schedules are to be used from January 1, 2008, through December 31, 2008, (Reference ARM 42.21.155)

TABLE 1 (BEVS - TABLE 3 & 20)

For computer systems, data processing equipment, computerized medical equipment, and video games.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	70%
2006	43%
2005	18%
2004	9%
AND OLDER	

TABLE 2 (BEVS - TABLE 4)

For calculating and accounting machines, cash registers, copiers, typewriters, vending machines, jukeboxes, addressing machines, time recording machines, check endorsing machines, postage machines, fax machines, and other office and store machines, electronic games, and transcribing equipment.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	85%
2006	69%
2005	52%
2004	34%
2003	20%
AND OLDER	

TABLE 3 (BEVS - TABLE 5, 12, 17, & 19)

For citizen band radios, mobile telephones, PBX type systems, radio and television broadcasting and transmitting equipment, locally assessed phones, phone systems and all cable T.V. equipment not assessed on PPBA-20A, intercom equipment, and mics and sound systems.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	85%
2006	69%
2005	51%
2004	33%
2003	19%
AND OLDER	

TABLE 4 (BEVS - TABLE 6)

For specialized medical and dental equipment (specialized medical and dental equipment includes dental/medical hand tools, drills, etc.; but does not include the medical and dental chairs and tables or computerized medical or dental equipment).

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	85%
2006	68%
2005	51%
2004	32%
2003	19%
AND OLDER	

TABLE 5 (BEVS - TABLE 7)

For hotel and motel furniture and equipment. This table also includes apartment, home rental and nursing home furniture and fixtures.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	85%
2006	70%
2005	54%
2004	36%
2003	21%
AND OLDER	

TABLE 6 (BEVS - TABLE 8)

For janitorial equipment, electronic testing equipment, coin operated washers and dryers, video equipment and tapes (other than rental video equipment and tapes), cameras, equipment used for beauty and barber shops (except beauty and barber chairs), carpet and shampooing equipment, records, tanning beds, exercise equipment, toning tables and ceramic molds.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	85%
2006	71%
2005	57%
2004	39%
2003	23%
AND OLDER	

TABLE 7 (BEVS - TABLE 10 & 11)

For repair shop tools. This table includes all tools, shop equipment, snow blowers and lawn mowers.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	92%
2006	86%
2005	80%
2004	72%
2003	63%
2002	53%
2001	42%
2000	33%
1999	26%
1998	22%
AND OLDER	

TABLE 8 (BEVS - TABLE 9 & 18)

For all other furniture and fixtures. This table includes but is not limited to medical and dental chairs and tables, theatre equipment, stereo equipment, survey equipment, bill boards, garbage bins, coin-op car wash equipment, gas pumps and bar equipment, restaurant equipment and furniture and fixtures, bowling alleys and equipment (auto scorers should be valued using table 1), photo and developing equipment, mortuary equipment, safes, security alarm systems, and porta-potties.

<u>YEAR</u>	<u>TRENDED % GOOD</u>
2007	92%
2006	86%
2005	81%
2004	74%
2003	64%
2002	55%
2001	44%
2000	34%
1999	28%
1998	23%
AND OLDER	

All books in professional libraries and instruction videos- \$6.00 each (BEVS Table 2).

All supplies are valued @ 100% of the acquired cost. (BEVS Table 1)